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CenterState

Banks of Florida, Inc.

2006 ANNUAL REPORT

NASDAQ CELEBRATES

CENTERSTATE BANKS

OF FLORIDA, INC.

5 YR ANNIVERSARY

CenterState

NASDAQ

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NEW YORK

Dear Fellow CenterState Stockholders,

I am often asked a very good question, as to what is the dome we use as our Company symbol. If you study the design of our buildings, you cannot help but notice a large dome window we have incorporated into all our offices. This window is our trademark, so to speak. It is our "window of opportunity" to all our customers and investors.

My lapel pin, a gold miniature dome window, is our sign of service indicating for all to not only

look in and see our synergy, but also to come in and let us be of service. The window is never shaded but always open to signify our hospitality and desire to build lasting and shining business relationships. The window allows our "Quality to Shine Through."

Our quality really displayed itself in 2006, as we had both solid growth and great income. During 2006, we firmly established ourselves as a billion dollar plus company with year end assets at \$1.077 billion. We crossed the billion dollar threshold in the first quarter and went on to grow over 23% for the full year.

Our net income was over \$8.4 million, a 33.6% increase over the prior year. Basic EPS increased 14% to \$0.77. Our history of strong growth in both deposits and income continue to keep us optimistic for 2007.



*"Our quality
really displayed
itself in 2006,
as we had both
solid growth and
great income."*

E. S. "Ernie" Pinner
Chairman, President and CEO

We were able to enhance the CenterState footprint during the year both by bank acquisition and de novo branching. On March 31, we closed our transaction with the Lake County bank and brought CenterState Bank Mid Florida into our Company. In September, we established a new office for CenterState Bank Mid Florida in the nearby town of Eustis. We anticipate this branch will quickly augment the Bank's size and profitability.

During October, we opened our second new office in Lakeland located in the South Lakeland area. We created our twelfth office in Polk County also in October with the temporary opening of our Deer Creek office located in the I-4/US 27 district of Northeast Polk County. With these new offices, we now have 31 facilities strategically located throughout Central Florida. Osceola County established its seventh office in early 2007 when the East St. Cloud office was opened. We continue to plan for the future with our West Florida Bank having two sites we are land banking in Citrus and Hernando County.

The summer of 2006 was very active from a stock viewpoint. Your Board approved our recommendation to split our stock two for one. The market gave us a positive reaction and the price helped move us into the Russell 2000 and Russell 3000 indices. This activity coupled with our excellent growth in income and assets resulted in new investor attention for the Company, and we enjoyed very favorable pricing during the year. As of December 31, 2006, our stock price saw an increase of 21.2% which was well in advance of the S&P 500 and NASDAQ bank index.

As we moved further into 2006, we began building toward our sixth year of operation. NASDAQ recognized we had completed a full five years and invited us to celebrate our anniversary and ring the closing bell for the market. So, on December 11, 2006, I had the unique privilege of representing our investors and staff as CenterState Banks closed the NASDAQ stock market in New York with the ringing of the bell.

Also during this past fall, we were once again fortunate in that the Valrico State Bank of Valrico, Florida, agreed to join our Company. Valrico will increase our overall size by about 14% and have

positive impact to our earnings. We have been proceeding through the merger arrangements and anticipate they will become official with CenterState in early April of this year. Jerry Ball, the President of Valrico Bank, and his management team will continue to manage the bank as a de-centralized, free standing full service bank, the same as all of our other banks. They are a welcome addition and will assist us as we continue to accomplish our vision of becoming one of the most customer friendly and premier community bank companies in Florida.

The quality of our assets continues to be excellent. The quality is a direct reflection of our very experienced lenders and advisors. Our non-performing loans at the end of 2006 were only six basis points as a percentage of total loans. Net charge offs for the year were only eight basis points of average loans. Our liquidity is excellent with a loan-to-deposit ratio of 74% and there are no issues with the regulators and the new commercial real estate (CRE) guidance.

As our "quality shines through" not only our special dome windows but also through each of our staff, we continue to strengthen your investment in our banks. Thank you for your confidence in CenterState.

*Quality
Shines
Through*



I remain

Yours truly,

E. S. Pinner

Chairman, President and CEO

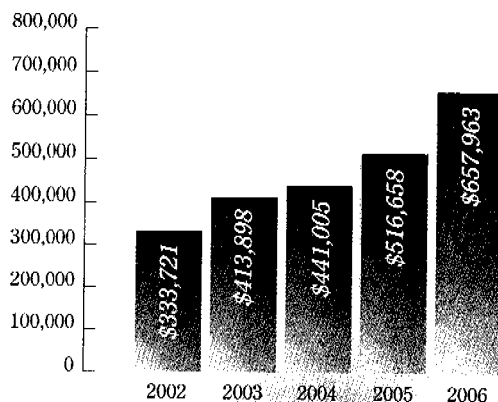
CSFL Executive Management Team

Seated left to right: Thomas E. White (President & CEO, CenterState Bank Central Florida, N.A.), George H. Carefoot (SVP & Chief Operating Officer, CenterState Banks of Florida, Inc.), and John C. Corbett (President & CEO, CenterState Bank of Florida, N.A.). Standing left to right: Timothy A. Pierson (President & CEO, CenterState Bank Mid Florida), James J. Antal (SVP & Chief Financial Officer, CenterState Banks of Florida, Inc.), E. S. "Ernie" Pinner (Chairman, President & CEO, CenterState Banks of Florida, Inc.), and James "Bud" S. Stalnaker, Jr. (President & CEO, CenterState Bank West Florida, N.A.).

KEY PERFORMANCE INDICATORS

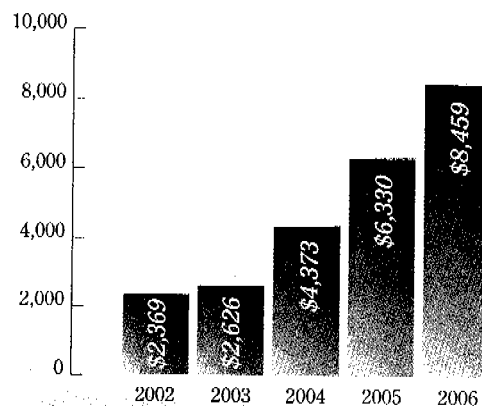
TOTAL LOANS

(at December 31 in thousands of dollars)



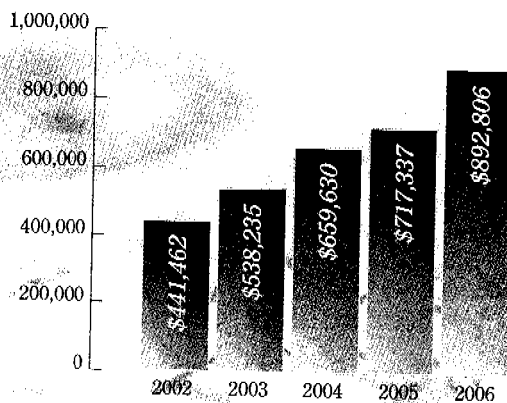
NET INCOME

(at December 31 in thousands of dollars)

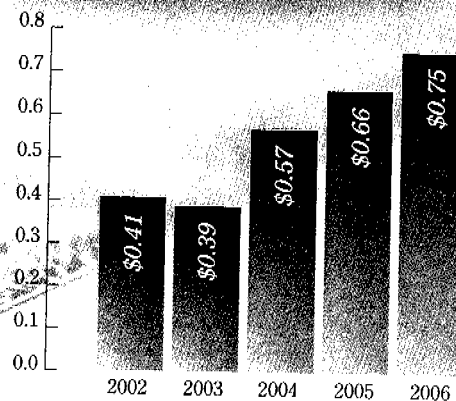


TOTAL DEPOSITS

(at December 31 in thousands of dollars)

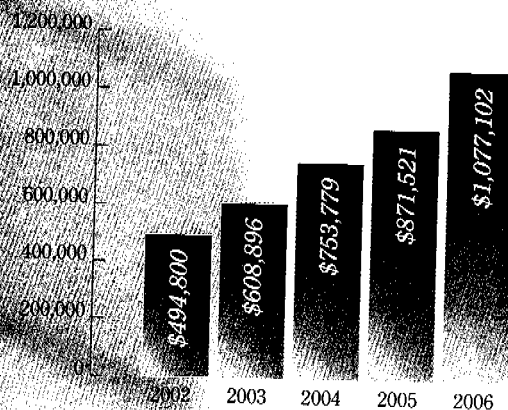


DILUTED EARNINGS PER SHARE

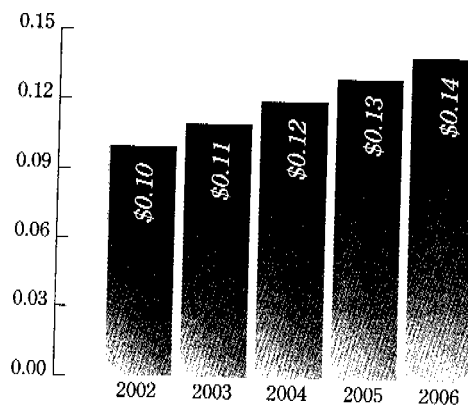


TOTAL ASSETS

(at December 31 in thousands of dollars)



DIVIDENDS DECLARED PER SHARE



(Amounts in thousands except ratios and per-share data)

Years ended December 31	2006	2005	% Change
Earnings			
Net interest income	\$37,103	\$28,544	30.0%
Provision for loan losses	717	1,065	(32.7)
Non-interest income	6,136	5,380	14.1
Non-interest expense	29,204	22,805	28.1
Income tax expense	4,859	3,724	30.5
Net income	\$ 8,459	\$ 6,330	33.6%
At December 31			
Assets	\$1,077,102	\$871,521	23.6%
Earning assets	975,614	788,476	23.7
Loans	657,963	516,658	27.3
Allowance for loan losses	7,355	6,491	13.3
Deposits	892,806	717,337	24.5
Shareholders' equity	117,332	97,241	20.7
Averages for December 31			
Assets	\$981,640	\$808,177	21.5%
Earning assets	894,286	744,298	20.2
Loans	605,236	482,819	25.4
Deposits	807,471	678,149	19.1
Per Common Share			
Net income (diluted)	\$0.75	\$0.66	14.5%
Book value	10.54	9.26	13.8
Cash dividends declared and paid	0.14	0.13	7.7
Market Price			
Close	\$20.90	\$17.25	21.2%
High	22.74	20.43	11.3
Low	17.08	14.91	14.6
Significant ratios			
Return on average assets	0.86%	0.78%	
Return on average equity	7.70	8.11	
Dividend payout ratio	18	19	
Average equity to average assets	11.18	9.66	
Total risk-based capital ratio	16.60	19.23	
Allowance for loan loss as % of period end loans	1.12	1.26	
Net chargeoffs to average loans	0.08	0.05	
Net interest margin	4.15	3.84	

Board of Directors

George H. Carefoot
Chairman

CenterState Bank of Florida

John C. Corbett
President & CEO

CenterState Bank of Florida

Bruce A. Davis
President

Bruce A. Davis & Associates, Inc.

Terry W. Donley

President, Donley Citrus, Inc.

Bruce B. Ingram

President, Ingram Grove Services, Inc.

Timothy A. Irby

Partner, Town & Country Real Estate

Lawrence W. Maxwell

Chairman, Century Realty Funds, Inc.

Thomas E. Oakley

President, Oakley Groves, Inc.

E. S. "Ernie" Pinner

*Chairman, President & CEO
CenterState Banks of Florida, Inc.*

William K. Pou, Jr.

*Executive VP of Retail Operations
W. S. Badcock Corp.*

J. Thomas Rocker

Investor

Rodney M. Surrency

Owner

Rod M. Surrency & Co., CPAs, P.A.



Executive Management Team

Left to right: J. Brett Barnhardt (SVP & Winter Haven Area Executive), Stephen D. Young (EVP & Chief Financial Officer), Jennifer L. Ison (SVP & Chief Operations Officer), Robert E. Dodd (EVP & Chief Credit Officer), Paul W. Gerrard, Jr. (SVP & Ridge Area Executive), Mark W. Thompson (SVP & Lakeland Area Executive), and John C. Corbett (President & CEO).

CenterState Bank of Florida

CenterState Bank of Florida continues
to be the largest bank in the Company

since its merger in January 2006 with First National Bank of Polk County. The resulting twelve locations in Polk County serve some of the fastest growing sections of the I-4 corridor and include the Deer Creek and South Lakeland branches which opened in 2006. At year end, CenterState Bank of Florida had \$427 million in assets and earnings of \$3.5 million.

Winter Haven, Florida

Assets: \$427,506,000

Net Income: \$3,557,000



1101 First Street South Winter Haven, FL 33880 (863) 291-3900

Executive Management Team

Left to right: James "Bud" S. Stalnaker, Jr.
(President & CEO), Melissa Wade (SVP &
Operations Officer), Earl H. Young
(Executive Vice President), and Mike Ward
(SVP & Chief Financial Officer).



Zephyrhills, Florida

Assets: \$276,799,000

Net Income: \$3,718,000

CenterState Bank West Florida

With an ROA of 1.39%, an ROE of 17.8%, excellent credit quality and good growth rates, CenterState Bank West Florida continues to be the overall best performing bank within our Company. Mr. Stalnaker has successfully recruited and motivated a quality team of experienced bankers. Under his leadership, his team has embraced a philosophy of customer service built on the concept of "going the extra mile" in delighting their customers. Headquartered in Zephyrhills, West Florida operates from eight full service locations within Pasco, Sumter, Hernando and Citrus Counties. They offer their customers a full spectrum of financial services and products.



5930 Gall Boulevard Zephyrhills, FL 33542 (813) 783-8122

Board of Directors

E. S. "Ernie" Pinner
Chairman, President & CEO
CenterState Banks of Florida, Inc.

James H. Bingham
President
Concise Centers, Inc.

G. Robert Blanchard, Sr.
Director Emeritus

G. Robert Blanchard, Jr.
President
W.R.B. Enterprises, Inc.

Pavitar S. Cheema
Urologist
Pavitar S. Cheema, M.D., P.A.

Emory Guess
Owner/Broker
Emory Guess Realty

Larry S. Hersch
Owner
Larry S. Hersch, P.A. (law firm)

Carol Madill Lockey
Real Estate Investor

Jean M. Murphy
Retired Travel Agent &
Real Estate Agent

Ronald Oakley
Vice President & Secretary
Oakley Groves, Inc.

James "Bud" S. Stalnaker, Jr.
President & CEO
CenterState Bank West Florida

Board of Directors

E. S. "Ernie" Pinner
Chairman, President & CEO
CenterState Banks of Florida, Inc.

O. Sam Ackley
President
Diversified Payment Check Solutions

James C. Chapman
Owner
Double C Bar Ranch

Bryan W. Judge, Jr.
Owner & CEO
Judge Farms

Danny L. Lackey
General Manager
Bronson's Partnership

Sara S. Lewis
St. Cloud Travel

Samuel L. Lupfer, IV
Division President
Bouchard Insurance

Charles H. Parsons
President
Charles H. Parsons Architect, P.A.

E. Hampton Sessions
Director of Radiology
Colombia Medical Center
of Osceola

Larry W. Walter
President & CEO
Hanson, Walter & Associates, Inc.

Thomas E. White
President & CEO
CenterState Bank
Central Florida



Executive Management Team

Left to right: Thomas E. White (President & CEO), Charlie Rogers (VP & Business Development Officer), W. Lee Mikell (SVP & Chief Operations Officer), Karen Giel (VP of Lending), and James W. Burns (SVP & Chief Credit Officer).

Kissimmee, Florida

Assets: \$274,568,000

Net Income: \$2,966,000

CenterState Bank Central Florida

CenterState Bank Central Florida, located in Osceola and Orange Counties, benefits from its proximity to Florida's premier theme parks. People continue to move to this area for its abundance of jobs and beautiful climate. Opened since September 1989, the bank continues its growth due to its focus on small and midsize businesses that get neglected by the large regional banks. The Bank will be opening its seventh office in East St. Cloud by February 2007. At year end, CenterState Bank Central Florida had more than \$274 million in assets and earnings of almost \$3 million.



920 N. John Young Parkway Kissimmee, FL 34741 (407) 847-3800

Executive Management Team

Standing left to right: Rodney
E. Drawdy (SVP & Senior
Lender), Timothy A. Pierson
(President & CEO), and
John L. Rust (VP
Operations). Seated:
Elizabeth J. Bowen (SVP &
Chief Financial Officer).



CenterState Bank Mid Florida

CenterState Bank Mid Florida, located
Lake County, merged with

Company in March 2006. Mid Florida's total assets at the time of the merger
were \$94 million and it continues to see strong growth due to its location in the
rapidly growing north central section of Florida. The bank has four full service
branches – the main office is located in Leesburg with the other three in
Clermont, Groveland and Eustis. At year end, CenterState Bank Mid Florida
had more than \$97 million in assets and earnings of \$496 thousand. The Lake
County bank has strengthened CenterState's marketing plan of being very
visible on one of the state's main traffic arteries – U.S. Highway 27.

Leesburg, Florida

Assets: \$97,635,000

Net Income: \$496,000

CenterState
BANK MID FLORIDA

1211 W. North Boulevard Leesburg, FL 34748 (352) 323-9000

Board of Directors

E. S. "Ernie" Pinner
Chairman, President & CEO
CenterState Banks of Florida, Inc.

Gail Gregg Strimenos
President & Chairman
Family Dynamics

William Herlong
Director Emeritus

Michael R. Langley
Entrepreneur

Carl H. Lunderstadt, Sr.
Retired/Manufacturing

Bill C. Mobley
Retired/Healthcare Management

Rulon D. Munns
Partner
Bogin Munns & Munns

Timothy A. Pierson
President & CEO
CenterState Bank Mid Florida

Richard C. Schultheis
Director Emeritus

James "Bud" S. Stalnaker, Jr.
President & CEO
CenterState Bank West Florida

Beryl N. Stokes III
Owner
Stokes Accounting
& Business Consultants

CONSOLIDATING BALANCE SHEET

For the year ended December 31, 2006 (in thousands of dollars, except per share data)

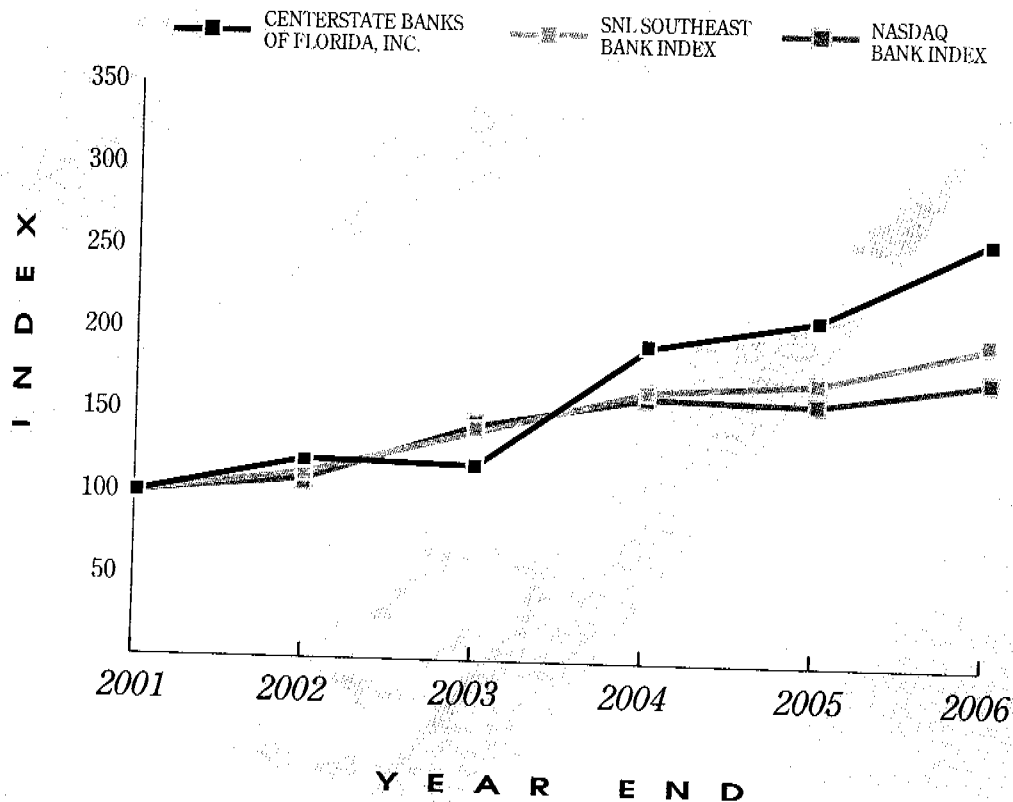
	CSB/ CENTRAL FL	CSB/ WEST FL	CSB/ POLK	CSB/ MID FL	PARENT COMPANY	C.S. PROCESSING	CONSOLIDATING ENTRIES	CONSOLIDATED
Assets								
Cash and due from banks	\$11,429	\$5,930	\$20,325	\$2,701	\$1,278	\$66	\$(1,344)	\$40,385
Federal funds sold and money market	20,008	18,596	28,435	12,597	—	—	—	79,636
Investment securities, available for sale, at fair value	78,112	27,971	117,676	11,591	—	—	—	235,350
Loans	154,503	209,590	236,215	57,655	—	—	—	657,963
Less allowance for loan losses	(1,758)	(2,445)	(2,509)	(643)	—	—	—	(7,355)
Net Loans	152,745	207,145	233,706	57,012	—	—	—	650,608
Premises and equipment	7,947	12,582	14,128	4,699	93	430	—	39,879
Accrued interest receivable	1,336	1,232	2,028	439	—	—	—	5,035
Federal Home Loan Bank and Federal Reserve Bank Stock	288	778	1,462	137	—	—	—	2,665
Investment in subsidiaries	120	120	240	120	94,426	—	(95,026)	—
Deferred income taxes, net	807	680	906	(564)	100	(31)	—	1,898
Goodwill	—	—	4,675	5,188	—	—	—	9,863
Core deposit intangible	—	—	411	2,672	—	—	—	3,083
BOLI	1,576	1,576	3,149	1,019	—	—	—	7,320
Prepaid expenses and other assets	200	189	365	24	524	194	(116)	1,380
Inter-Company receivables	—	—	—	—	32,000	—	(32,000)	—
TOTAL ASSETS	\$274,568	\$276,799	\$427,506	\$97,635	\$128,421	\$659	\$(128,486)	\$1,077,102
Liabilities and Shareholders' Equity								
Deposits:								
Demand - non-interest bearing	\$59,383	\$44,217	\$111,460	\$9,886	\$ —	\$ —	\$(1,344)	\$223,602
Demand - interest bearing	21,165	23,356	53,144	12,962	—	—	—	110,627
Savings accounts	16,030	13,416	16,571	789	—	—	—	46,806
Money market accounts	19,936	24,013	52,896	3,683	—	—	—	100,528
Time deposits	107,953	132,394	117,237	53,659	—	—	—	411,243
Total Deposits	224,467	237,396	351,308	80,979	—	—	(1,344)	892,806
Securities sold under agreements to repurchase	21,843	4,245	26,354	350	—	—	—	52,792
Corporate debentures	—	—	—	—	10,000	—	—	10,000
Inter-Company payables	7,000	11,000	14,000	—	—	—	(32,000)	—
Accrued interest payable	245	291	339	118	—	—	—	993
Accounts payable and accrued expenses	439	700	923	85	1,089	59	(116)	3,179
Total Liabilities	253,994	253,632	392,924	81,532	11,089	59	(33,460)	959,770
Stockholders' equity:								
Preferred stock, \$.01 par value; 5,000,000 shares authorized	—	—	—	—	—	—	—	—
0 shares issued and 0 shares outstanding	—	—	—	—	—	—	—	—
Common stock, \$.01 par value; 40,000,000 shares authorized	2,556	2,436	2,498	5,000	111	—	(12,490)	111
11,129,020 shares issued and outstanding at December 31, 2005	—	—	—	—	—	—	—	—
Additional paid-in capital in excess of par	7,046	6,998	21,150	10,598	86,989	600	(46,392)	86,989
Accumulated other comprehensive income (loss)	(302)	(83)	(270)	9	(646)	—	646	(646)
Retained earnings	11,274	13,816	11,204	496	30,878	—	(36,790)	30,878
Total Stockholders' Equity	20,574	23,167	34,582	16,103	117,332	600	(95,026)	117,332
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$274,568	\$276,799	\$427,506	\$97,635	\$128,421	\$659	\$(128,486)	\$1,077,102

CONSOLIDATING STATEMENT OF OPERATIONS
For the year ended December 31, 2006 (in thousands of dollars)

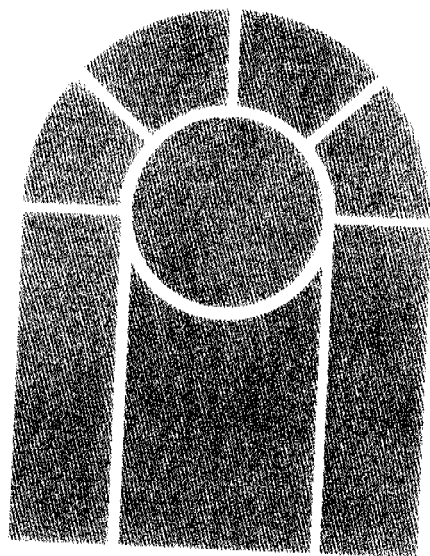
	CSB/ CENTRAL FL	CSB/ WEST FL	CSB/ POLK	CSB/ MID FL	PARENT COMPANY	U.S. PROCESSING	CONSOLIDATING ENTRIES	CONSOLIDATED
Interest Income								
Loans	\$11,437	\$15,822	\$15,598	\$3,612	\$ —	\$ —	\$ —	\$46,469
Investment securities	3,121	1,189	4,896	445	2	—	—	9,653
Federal funds sold and money market	729	893	949	426	—	—	(6)	2,991
Total Interest Income	15,287	17,904	21,443	4,483	2	—	(6)	59,113
Interest Expense								
Deposits	4,927	6,199	6,334	1,536	—	—	(6)	18,990
Securities sold under agreements to repurchase	913	166	1,022	55	—	—	—	2,156
Corporate debentures	—	—	—	—	864	—	—	864
Total Interest Expense	5,840	6,365	7,356	1,591	864	—	(6)	22,010
NET INTEREST INCOME	9,447	11,539	14,087	2,892	(862)	—	—	37,103
Provision for loan losses	160	184	338	35	—	—	—	717
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	9,287	11,355	13,749	2,857	(862)	—	—	36,386
Non-Interest Income								
Service charges on deposit accounts	1,293	757	1,234	117	—	—	—	3,401
Other service charges and fees	662	721	1,300	97	10,757	1,272	(12,074)	2,735
Total Non-Interest Income	1,955	1,478	2,534	214	10,757	1,272	(12,074)	6,136
Non-Interest Expense								
Salaries, wages and employee benefits	3,314	3,964	5,905	958	2,200	620	—	16,961
Occupancy expenses	950	837	1,249	359	64	63	(79)	3,443
Depreciation of premises and equipment	388	491	758	152	20	126	—	1,935
Other operating expenses	1,942	1,653	2,940	822	303	463	(1,258)	6,865
Total Non-Interest Expense	6,594	6,945	10,852	2,291	2,587	1,272	(1,337)	29,204
Income before provision for income taxes	4,648	5,888	5,431	780	7,308	—	(10,737)	13,318
Provision for income taxes	1,682	2,170	1,874	284	(1,151)	—	—	4,859
NET INCOME	\$2,966	\$3,718	\$3,557	\$496	\$8,459	\$ —	\$ (10,737)	\$8,459

The shares of the Company's common stock commenced trading on the OTC Bulletin Board on January 26, 2001 and on the Nasdaq National Market System on February 20, 2001. The following graph compares the yearly percentage change in cumulative shareholder return on the Company's common stock, with the cumulative total return of the NASDAQ stock index and the SNL Southeast Bank index, since January 1, 2002 (assuming a \$100 investment on January 1, 2002 and reinvestment of all dividends).

CenterState Banks of Florida, Inc. Stock Performance Index



	2001	2002	2003	2004	2005	2006
CenterState Banks of Florida, Inc.	100	117	115	194	212	258
SNL Southeast Bank Index	100	110	139	165	168	197
Nasdaq Bank Index	100	107	142	162	158	180



"Quality Shines Through"

BOARD OF DIRECTORS



E. S. "Ernie" Pinner
Chairman, President & CEO



G. Robert Blanchard, Jr.
President
W.R.B. Enterprises, Inc.



James H. Bingham
President
Concire Centers, Inc.



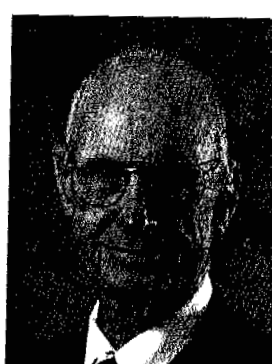
Terry W. Donley
President
Donley Citrus, Inc.



Frank M. Foster, Jr.
Investor



Gail Gregg-Strimenos
President & Chairman
Family Dynamics



Bryan W. Judge, Jr.
Owner & CEO
Judge Farms



Samuel L. Lupfer, IV
Division President
Bouchard Insurance



Lawrence W. Maxwell
Chairman
Century Realty Funds, Inc.



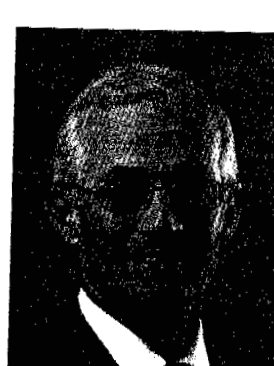
Rulon D. Munns
Partner
Bogin Munns & Munns



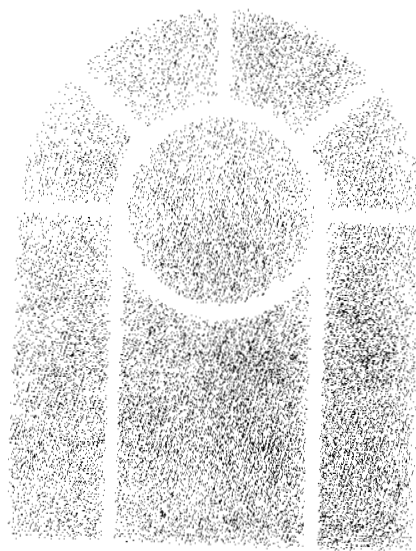
G. Tierso Nunez, II
Owner
G.T. Nunez & Associates, P.A.



Thomas E. Oakley
President
Oakley Groves, Inc.



J. Thomas Rocker
Investor



THE UNIVERSITY OF CHICAGO

CenterState Banks of Florida, Inc.

1101 First Street South

Suite 202

Winter Haven, Florida 33880

863-293-2600